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September 23, 2004

Mr. Aster Adams, Chief
Competitive Markets & Policy Division
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Response to Data Request No. 1, Joint Application of QuantumShift Communications, Inc., and VCOM Solutions, Inc., for Approval of Acquisition by VCOM of Control Over QuantumShift, Docket No. 04-00226

Dear Mr. Adams:

In response to your letter of September 20, 2004, VCOM Solutions, Inc. ("VCOM"), and QuantumShift Communications, Inc. ("QuantumShift") (collectively, "Joint Applicants"), hereby provide additional information related to the subject transfer of control:

1. Upon reflection, it would appear that the subject transfer of control falls under Tenn. Code § 65-4-112, as Joint Applicants seek a transfer of control of QuantumShift's right to provide service in Tennessee, but not a transfer of the CCN itself, which will remain with QuantumShift. Joint Applicants erroneously referenced Tennessee Code § 65-4-113 in their initial Application.
2. QuantumShift is authorized to provide service in 47 states and the District of Columbia. VCOM is authorized to provide services only in California. Joint Applicants have filed for approval of the subject transfer of control in every jurisdiction for which QuantumShift is authorized, with the exception of Mississippi and West Virginia, due to the need to involve local counsel.
3. Joint Applicants filed for approval of the subject transfer of control in Virginia on August 3, 2004. Staff subsequently requested additional verification pages indicating the titles of the signators on August 6, 2004, which were provided by Joint Applicants. No official action has yet been taken; however, Joint Applicants have no reason to believe that Virginia will not act affirmatively.

4. Joint Applicants applied for transfer authorization (both domestic and international) from the Federal Communications Commission on August 28, 2004 (with a subsequent filing date of September 9, 2004, due to administrative errors). Joint Applicants have not yet received a File No., but have been in contact with FCC Staff at both the International and Wireline Bureaus, who have indicated their willingness to process the application. In addition, Joint Applicants have received Special Temporary Authority from both the International and Wireline Bureaus to operate as a combined entity pending formal approval of their application.
5. QuantumShift currently has one business customer in Tennessee.
6. VCOM does hold a Certificate of Public Convenience and Necessity in California, pursuant to CPUC Decision 02-04-035 (April 22, 2002). Aside from QuantumShift and QuantumShift Communications of Virginia, Inc., VCOM owns no public utilities certificated in its name or any other.
7. Joint Applicants confirm that VCOM is purchasing 100% of the stock of QuantumShift Communications, Inc., only. QuantumShift's former parent corporation, QuantumShift, Inc., is winding down and will not continue in business as an independent corporate entity. QuantumShift, Inc.'s main resource, a proprietary telecommunications software technology, was purchased in May 2004 by MSS*Group.
8. VCOM does plan to continue to operate as QuantumShift outside of California. Because QuantumShift, Inc., is winding down and no longer provides service under the QuantumShift name, there should be no customer confusion.
9. VCOM is aware that Authority approval is required for any proposed name change. VCOM will provide a copy of the customer notification letter (with appropriate logos) at such time as it applies for approval of a name change.
10. Approval of the subject transfer of control will benefit QuantumShift by permitting it to enjoy enhanced financial strength, increased buying power for underlying services, additional industry expertise, and increased efficiencies stemming from consolidation of management, sales, administration, billing and other operating and back-office functions. QuantumShift's customers will likewise benefit from the subject transfer of control through continuation of QuantumShift's high-quality services and efficiencies that will permit

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QuantumShift to continue to innovate and pass on cost savings to its customers. The public welfare is served by permitting continued consolidation in the troubled telecommunications industry, while ensuring that competitors remain a viable alternative to the incumbent monopolists. Moreover, the resulting increased innovation and cost savings also benefit the public at large.

11. Joint Applicants will abide by all regulations pertaining to public utilities in Tennessee and will file any future rate or service adjustments with the Tennessee Regulatory Authority

Please do not hesitate to contact me with any additional questions or concerns.

Best regards,



Patrick J. O'Connor

Copy to: Ms. Jenna Brown